

UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

In Re: : BANKRUPTCY NO. 20-10334 TPA
:
JOSEPH MARTIN THOMAS, : THE HONORABLE THOMAS P. AGRESTI
:
Debtor. : CHAPTER 11
:

SUMMARY OF PLAN OF REORGANIZATION DATED FEBRUARY 15, 2021

Joseph Martin Thomas (the "Debtor"), by and through his undersigned counsel, herein files this Summary of Plan of Reorganization dated February 15, 2021, of which the following is a statement:

The Debtor will fund distributions under the terms of the Plan primarily from the liquidation of assets. To the extent that the value of such assets is not sufficient to pay administrative and tax claims, the Debtor will fund installment payments due under the terms of the Plan from his current income and from future income upon the relocation of his business.

Admin: The **costs and expenses of administration** shall be paid in cash, in full, from the Debtor's income as approved by the Court and/or from the sale of assets when they occur. If administrative claims are not paid in full after confirmation of the Plan, the remainder will be paid within sixty (60) months or less, beginning on the Effective Date of the Plan.

Class 1: The **secured real estate claims** of all Class 1 creditors, who are fully secured, shall be paid in cash, in full, from the sale of assets on which they have liens when sales occur. To the extent that the value of the collateral is not sufficient to pay Class 1 creditors, any deficiency balance due will be treated as an unsecured claim.

Class 2: The **secured tax claims** of all Class 2 creditors, who are fully secured, shall be paid in cash, in full, from the sale of assets on which they have liens when those sales occur. In the unlikely event that the value of the collateral is not sufficient to pay Class 2 creditors in full, any deficiency balance due shall be paid in full, with interest, over sixty (60) months, beginning on the Effective Date of the Plan

Class 3: After the allowed amount of any Class 3 Claims is determined, the **secured collateral claims** of all Class 3 creditors, to the extent they hold claims on collateral being retained by the Debtor, shall retain their liens and be paid in cash, in full, within sixty (60) months of the Effective Date of the Order confirming the Plan. Class 3 creditors shall be paid from

ongoing contractual payments beginning thirty (30) days from the Effective Date of the Plan.

Class 4: The **unsecured priority tax claims** of all Class 4 creditors shall first be paid in order of priority from the sale of assets when they occur, to the extent that sufficient proceeds are available. If Class 4 claims are not paid in full after confirmation of the Plan, the remainder will be paid in full, with interest, in sixty (60) equal monthly installments, beginning on the Effective Date of the Plan

Class 5a: Class 5a **general unsecured and unsecured tax claims, who have no collateral to secure their claims**, shall be paid the approximate amount of \$15,000.00 or more from personal asset sales, or approximately five (5%) of the total current Class 5a Claims. Distribution percentage will increase/decrease if the amount of the allowed claims is reduced/increased because of, *inter alia*, the claims objection process, and/or as a result of successful/unsuccessful sales.

Class 5b: Class 5b **unsecured claims, who have non-Debtor collateral securing their claims**, shall be paid the approximate amount of \$15,000.00 or more from personal asset sales, or approximately less than one per cent (< 1%) of the total estimated Class 5b Claims. Distribution percentage will increase/decrease if the amount of the allowed claims is reduced/increased because of, *inter alia*, non-Debtor asset sales, the claims objection process, and/or as a result of successful/unsuccessful sales.

Respectfully submitted,

THE QUINN LAW FIRM

BY: /s/ Michael P. Kruszewski

Michael P. Kruszewski, Esquire
PA Id. No. 91239
2222 West Grandview Boulevard
Erie, Pennsylvania 16506-4508
Telephone: 814-833-2222
Facsimile: 814-833-6753
E-Mail Address:
mkruszewski@quinnfirm.com
Counsel for Debtor,
Joseph Martin Thomas